

UNITED STATES DISTRICT COURT  
FOR THE MIDDLE DISTRICT OF TENNESSEE  
NASHVILLE DIVISION

HAYDEN SMITH, et al.,

Plaintiffs,

v.

STRATEGIC HOSPITALITY, LLC, et al.,

Defendants.

Case No. 3:20-cv-00023

Magistrate Judge Alistair E. Newbern

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**ORDER**

In response to the Court's prior order (Doc. No. 106), the parties have filed a joint motion for approval of their amended settlement agreement and release of all claims (Doc. No. 107).

Because of "the unique purpose of the FLSA and the unequal bargaining power between employees and employers . . . FLSA settlements require approval by either the Department of Labor or a court." *Steele v. Staffmark Inv., LLC*, 172 F. Supp. 3d 1024, 1026 (W.D. Tenn. 2016). The FLSA provides a national statutory guarantee that employees will receive full and fair compensation for hours worked. *See* 29 U.S.C. § 202 *et seq.* Because of this statutory entitlement, "[e]mployers and employees may not, in general, make agreements to pay and receive less pay than the statute provides for. Such agreements are against public policy and unenforceable." *Martin v. Indiana Michigan Power Co.*, 292 F. Supp. 2d 947, 959 (W.D. Mich. 2002) (quoting *Roman v. Maietta Constr., Inc.*, 147 F.3d 71, 76 (1st Cir. 1998)). However, when a question exists as to whether employees are entitled to the compensation they seek under the FLSA, and when entering into a settlement agreement would not relinquish any employees' statutory rights, a federal district court may approve a settlement agreement entered into by the parties in a case

pending before it. *Lynn's Food Stores, Inc. v. United States*, 679 F.2d 1350, 1353 (11th Cir. 1982). A court reviewing a FLSA settlement for approval must determine whether the settlement is a “fair and reasonable resolution of a bona fide dispute over FLSA provisions.” *Id.*; *West v. Emeritus Corp.*, No. 3:15-CV-437, 2017 WL 2880394, at \*1 (M.D. Tenn. July 5, 2017).

The Court has reviewed the Amended Settlement Agreement and Release of All Claims (the Agreement) entered into by Named Plaintiffs Hayden Smith and James D. Meadows and Defendants Restaurant Concepts, LLC, Le Sel, LLC, 401 Food, LLC, and Pinewood Social, LLC, and filed by the parties on January 20, 2021 (Doc. No. 107-1), and finds it to be a fair and reasonable resolution of a bona fide dispute of the FLSA’s application. The Agreement resolves all claims brought in this Fair Labor Standards Act (FLSA) collective action.

Accordingly, the Court dismisses Plaintiffs’ claims with prejudice.

It is so ORDERED.

  
ALISTAIR E. NEWBERN  
United States Magistrate Judge